

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1182

SPONSOR: Commerce, Economic Opportunities, and Consumer Services Committee and Senators Bennett and Bullard

SUBJECT: Postsecondary Student Fees

DATE: March 23, 2004 REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Matthews</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable</u>
2.	<u>Gillespie</u>	<u>Maclure</u>	<u>CM</u>	<u>Favorable/CS</u>
3.	_____	_____	<u>AED</u>	_____
4.	_____	_____	<u>AP</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

## I. Summary:

Committee Substitute for Senate Bill 1182 specifies that the dependent child of an active duty member of the Armed Services of the United States is a “resident for tuition purposes” at a community college or state university located within 50 miles of the military establishment where the active duty parent is stationed, if the military establishment is located within a county contiguous to Florida.

The committee substitute also exempts a dependent child from paying nonresident tuition and out-of-state fees to a community college or state university, if the dependent child:

- Has attended a Florida high school for at least 3 months per school year for 2 school years; and
- If one of the dependent child’s parents is:
  - A United States citizen or is otherwise eligible under federal law for employment in the United States; and
  - Currently employed in this state as a migrant farmworker.

This committee substitute substantially amends section 1009.21, Florida Statutes.

## II. Present Situation:

### Nonresident Tuition and Out-of-State Fees

Under current law, “tuition” is the basic fee charged to a student for instruction at a public postsecondary educational institution in the state (s. 1009.01(1), F.S.). Above basic tuition,

non-Florida students are charged an additional fee, cited as the “out-of-state fee” (s. 1009.01, F.S.). For the 2003-2004 school year, tuition and out-of-state fees in the state universities compare per credit hour, as follows:<sup>1</sup>

	<u>Tuition</u>	<u>Out-of-State Fee</u>
Lower Level Coursework	\$ 63.41	\$ 328.74
Upper Level Coursework	\$ 63.41	\$ 328.74
Graduate Level Coursework	\$ 160.22	\$ 509.08
Law	\$ 182.09	\$ 530.27

Although the tuition and out-of-state fees for each of the state’s 28 community colleges varies by college, the following is the fall 2003 weighted mean of these fees per credit hour:<sup>2</sup>

	<u>Tuition</u>	<u>Out-of-State Fee</u>
Community Colleges	\$ 47.86	\$ 141.00

Under current law, students must be classified as residents or nonresidents for purposes of assessing tuition in community colleges and state universities (s. 1009.21, F.S.). If a student is a dependent child,<sup>3</sup> with certain exceptions, the student’s parent or parents must generally have established legal residence in Florida for at least 12 months immediately before the student qualifies as a resident for tuition purposes (s. 1009.21(2)(a)1., F.S.).

After a student is classified as a “resident for tuition purposes,” if the student is a dependent child and loses resident status because his or her parent or parents establish legal residence outside of Florida while the student is enrolled, current law grants the student a 12-month grace period, allowing the student to pay in-state tuition during that period (s. 1009.21(8), F.S.).

In addition, current law specifies that resident status for purposes of receiving state financial aid is determined in the same manner as resident status for tuition purposes (s. 1009.40(1)(a)2., F.S.). Further, to be eligible for an award under the Florida Bright Futures Scholarship Program, a student must be a resident for tuition purposes (s. 1009.531(1)(a), F.S.).

### **Active Duty Services Members**

Under current law, an active duty member of the Armed Services of the United States and his or her spouse are “residents for tuition purposes” at a community college or state university located within 50 miles of the military establishment where the active duty service member is stationed, if the military establishment is located within a county contiguous to Florida (s. 1009.21(10)(b), F.S.). The dependent children of the active duty service member are not residents for tuition purposes under current law.

<sup>1</sup> Specific Appropriation 123, *General Appropriations Act for Fiscal Year 2003-2004*, ch. 2003-397, L.O.F.

<sup>2</sup> Division of Community Colleges, Florida Department of Education, *Student Fees for Fall 2003* (Mar. 19, 2004).

<sup>3</sup> A student is a “dependent child” if the student’s parents are eligible to claim the student as a dependent under the federal income tax code, regardless of whether the student lives with his or her parent (s. 1009.21(1)(a), F.S.).

## **Migrant Farmworkers and Migrant Students**

Under current law, a “migrant farmworker” is a “person who is or has been employed in hand labor operations in planting, cultivating, or harvesting agricultural crops within the last 12 months and who has changed residence for purposes of employment in agriculture within the last 12 months” (s. 381.008(4), F.S.).

According to the Department of Education’s Office of Title I/Migrant Programs, migrant students have various risk factors in common with other disadvantaged students (e.g., poverty, poor health, and learning disabilities).<sup>4</sup> The office describes that migrant students also face challenges exclusive to their situations (e.g., disruption of education, poor record-keeping between schools, cultural and language difficulties, and social isolation).<sup>5</sup>

The department cites that several states have enacted legislation classifying dependent children of migrant workers as residents for tuition purposes. For example, a Wisconsin law specifies that the following students are exempt from nonresident tuition:<sup>6</sup>

- Any adult student who has been employed as a migrant worker:
  - For at least 2 months each year for 3 of the 5 years next preceding the beginning of any semester or session for which the student registers at an institution, or
  - For at least 3 months each year for 2 of the 5 years next preceding the beginning of any semester or session for which the student registers at an institution; or
- Any adult student whose parent or legal guardian has been so employed while the student was a minor and any minor student whose parent or legal guardian has been so employed.

### **III. Effect of Proposed Changes:**

The committee substitute specifies that the dependent child of an active duty member of the Armed Services of the United States is a “resident for tuition purposes” at a community college or state university located within 50 miles of the military establishment where the active duty parent is stationed, if the military establishment is located within a county contiguous to Florida. The dependent child would consequently be exempt from paying nonresident tuition and out-of-state fees to a community college or state university.

As a “resident for tuition purposes,” the committee substitute would also qualify the dependent child, if other eligibility requirements are met, to receive student financial aid and receive awards under the Florida Bright Futures Scholarship Program. The dependent child may also qualify for the 12-month grace period, allowing the child to pay in-state tuition during that period, if the child loses resident status because his or her parent changes legal residence (e.g., the parent is stationed to a military establishment that is not located within 50 miles of the community college or state university) while the student is enrolled.

---

<sup>4</sup> Florida Department of Education, Office of Title I/Migrant Programs, *The Florida Migrant Education Program (MEP)*, at <http://www.firn.edu/doe/title1/doemep.htm> (last visited Mar. 19, 2004).

<sup>5</sup> *Id.*

<sup>6</sup> Wis. Stat. s. 36.27(2)(a)6. (2003).

The committee substitute also exempts a dependent child from paying nonresident tuition and out-of-state fees to a community college or state university, if the dependent child:

- Has attended a Florida high school for at least 3 months per school year for 2 school years; and
- If one of the dependent child's parents is:
  - A United States citizen or is otherwise eligible under federal law for employment in the United States; and
  - Currently employed in this state as a migrant farmworker as defined in s. 381.008(4), F.S.

Although the committee substitute exempts the dependent child of a migrant farmworker from paying nonresident tuition and out-of-state fees, the committee substitute does not specify that the dependent child is a "resident for tuition purposes." The dependent child would not consequently be eligible for the 12-month grace period if the student's migrant farmworker parent were to establish legal residence outside of Florida. In addition, the student would not be considered a resident for purposes of receiving state financial aid and would not be eligible to receive awards under the Florida Bright Futures Scholarship Program.

Because a dependent child is not required to live with his or her parent to qualify as a dependent child, if the child met the Florida high school attendance requirement, the committee substitute would likely permit a dependent out-of-state child of a migrant farmworker working in Florida to qualify for the exemption from paying nonresident tuition and out-of-state fees.

The committee substitute does not limit the timeframe in which a dependent child (of either an active duty service member or migrant farmworker) may qualify for the exemption. Once qualified, if the student remains a dependent child and his or her parent continues to meet the eligibility requirements for the exemption, the student would indefinitely remain eligible for the exemption.

The committee substitute provides an effective date of July 1, 2004.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None.

##### **B. Public Records/Open Meetings Issues:**

None.

##### **C. Trust Funds Restrictions:**

None.

**V. Economic Impact and Fiscal Note:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The committee substitute reduces the amount of postsecondary tuition and fees required to be paid by certain dependent children of active duty service members and migrant farmworkers in this state. The committee substitute may therefore increase the number of these students who attend a community college or state university.

**C. Government Sector Impact:**

The revenue impact of the committee substitute has not been forecasted by the Revenue Impact Conference. The Legislature may wish to refer the committee substitute to the Revenue Impact Conference for a detailed forecast of the committee substitute's revenue impact.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.